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**HORSE WOMAN SENTENCED IN PONZI SCHEME**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that SHARON MACAULEY, 65, of Rocklin, California, was sentenced yesterday by United States District Judge Morrison C. England to 30 months imprisonment and restitution of \$1,040,768. The defendant pled guilty to one count of mail fraud, and one count of money laundering on January 27, 2004.

This case is the product of an extensive investigation by the Internal Revenue Service, Criminal Investigation. The defendant pled guilty to falsely telling potential investors that money she was obtaining from them was going to be used to purchase horses for which a buyer had already been found. Almost none of the money she received from the investors was actually used to purchase horses and, to any extent any investor received return on his or her money, most of it came from moneys from new investors. This sort of arrangement is generally referred to as a Ponzi scheme.

According to Assistant United States Attorney Daniel S. Linhardt, who prosecuted the case, Judge England, in sentencing the defendant, found that her actions were particularly egregious and sentenced her at the top of the applicable sentencing guideline range. Judge England stated that the amount of her fraud and the manner in which it was executed convinced him that a sentence at the top of the applicable guidelines was proper.

The defendant is due to self-surrender on October 15, 2004.

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